## **CHAPTER 11**

## PROPERTY MANAGEMENT TABLE OF CONTENTS

| 11.01.00.00 | GENERAL  |
|-------------|--|
| 01.00       | Responsibility   |
| 02.00       | Delegations  |
| 03.00       | Property Management Reference File (PMRF)                |
| 04.00       | No Re-Rent   |
| 04.01       | Residential  |
| 04.02       | Nonresidential   |
| 05.00       | Property Held for Future Purposes                        |
| 06.00       | Disbursement of Rental Income to Counties                |
| 07.00       | Rental of State-Owned Properties to State Employees      |
| 08.00       | Use of Bilingual Agents                                  |
| 09.00       | Federal Participation in Revenue and Expenses            |
| 10.00       | Other Applicable Federal Regulations                     |
| 11.00       | Title VI, Civil Rights Act                               |
| 12.00       | Right of Way Property System                             |
| 11.02.00.00 | CLOSURE PROCEDURE  |
| 01.00       | General  |
| 02.00       | Determination of Rentable Properties                     |
| 03.00       | Contact with Grantor and/or Tenant                       |
| 04.00       | Inspection of Property and Determination of Rental Rates |
| 05.00       | Procedures Upon Acquisition                              |
| 06.00       | Establishing New Accounts                                |
| 07.00       | Rental Filing System                                     |
| 08.00       | New Property - Grantor Retains Improvements              |
| 09.00       | Rental Period - Hardship Acquisition                     |
| 11.03.00.00 | PROPERTY INVENTORY                                       |
| 01.00       | General  |
| 02.00       | Inventory Disposal Record                                |
| 03.00       | Improvement Disposal Authorization                       |
| 04.00       | Improvements and Personal Property                       |
| 05.00       | Numbering of IDAs and IDRs                               |
| 06.00       | Active Inventory of Improvements File                    |
| 07.00       | Closed Inventory of Improvements File                    |
| 08.00       | Water Stock  |
| 09.00       | Lost or Stolen Property                                  |
| 11.04.00.00 | RENTAL RATES   |
| 01.00       | General  |
| 02.00       | Changing the Rental Rate Shown in the Appraisal          |
| 03.00       | Lease Term   |
| 04.00       | Escalation Clauses                                       |
| 05.00       | Local Rent Control                                       |
| 06.00       | Owners Retain Improvements                               |

| 11.05.00.00    | NONRESIDENTIAL RENTALS   |
|----------------|--|
| 01.00          | Fair Market Rent Determinations  |
| 02.00          | Nominal Value Rentals  |
| 03.00          | Rental Grace Period on Business Properties   |
| 04.00          | Rental Rate Increases Prior to Appraisal   |
| 11.06.00.00    | RESIDENTIAL RENTALS  |
| 01.00          | General  |
| 02.00          | Annual Rental Rate Reviews   |
| 03.00          | RAP Eligibility  |
| 04.00          | Appeals (RAP-Eligible Tenants Only)  |
| 04.01          | Grounds for Appeal and Approval Authority  |
| 04.02          | Appeals Hearing  |
| 04.03          | Extreme Financial Hardship   |
| 05.00          | Inherited Tenants  |
| 11.07.00.00    | RENTAL PROCEDURES  |
| 01.00          | General  |
| 02.00          | Marketing Plan   |
| 03.00          | Finder's Fees/Rental Incentives  |
| 04.00          | Advertising  |
| 05.00          | Showing Property   |
| 06.00          | Rental Application and Credit Report   |
| 07.00          | Guidelines for Selection of New Tenants  |
| 08.00          | Use of Cosigners   |
| 09.00          | Declined Applicants  |
| 10.00          | Executing the Rental Agreement   |
| 11.00          | Initial Rent Collection  |
| 12.00          | Security Deposits  |
| 12.01          | Amount   |
| 12.02          | Waivers/Reductions   |
| 12.03          | Refund   |
| 13.00          | Utilities Desired Addition of the Control of the Co |
| 13.01          | Responsibility for Utility Costs   |
| 13.02          | Notifying Utility Companies at Date of Recordation   |
| 13.03          | Payment of Utility Bills by the State  |
| 13.04          | Segregating Utility Charges  |
| 13.05          | Utility Deposits by Tenant   |
| 14.00          | Possessory Interest Tax  Posidential Property Occupancy and Veccess Inspections  |
| 15.00<br>16.00 | Residential Property Occupancy and Vacancy Inspections Uses of Rental Agreement  |
| 17.00          | Courtesy Notice of Termination   |
| 18.00          | Rental Refunds   |
| 18.01          | Rental Agreement   |
| 18.01          | Leases   |
| 19.02          | Cancellation - Failure to Pay Rent   |
| 20.00          | Cancellation - Notice to Vacate For Reasons Other Than Failure to Pay Rent   |
| 21.00          | Cancellation - Breach of Covenant  |
| 22.00          | Departmental Use of State-Owned Property   |
| 22.00          | Departmental Obe of State Office I Topolty   |

| 11.08.00.00 | DELINQUENT ACCOUNTS                                     |
|-------------|---|
| 01.00       | General   |
| 02.00       | Suggested Methods of Collection                         |
| 03.00       | 3-Day Notice to Pay Rent or Quit                        |
| 04.00       | Method of Service of Notices                            |
| 05.00       | Legal Remedies for Collection and Procedures            |
| 06.00       | Dishonored Checks                                       |
| 07.00       | Late Charges  |
| 08.00       | Vacated Delinquencies                                   |
| 08.01       | Amounts \$250 Or Less                                   |
| 08.02       | Amounts Greater Than \$250                              |
| 11.09.00.00 | RENTAL INTERNAL CONTROLS                                |
| 01.00       | Policy  |
| 02.00       | Newly Acquired Property Closure Procedure               |
| 02.00       | Office Review   |
| 02.02       | Field Review  |
| 03.00       | Vacated Rentable Property                               |
| 03.01       | Agent Activities  |
| 03.02       | Property Manager Activities                             |
| 04.00       | Occupied Rentable Property                              |
| 05.00       | Non-Rentable Property                                   |
| 06.00       | Rental Accounting and Cash Handling                     |
| 06.01       | New Accounts  |
| 06.02       | Rental Payments   |
| 06.03       | Receipts  |
| 07.00       | Termination of Rental Accounts                          |
| 08.00       | Rental Offsets  |
| 09.00       | Non-Offsetting Maintenance                              |
|             | -   |
| 11.10.00.00 | PROPERTY MAINTENANCE AND REHABILITATION                 |
| 01.00       | General   |
| 02.00       | Asbestos and Lead Paint                                 |
| 03.00       | Maintenance Expenditure Guidelines                      |
| 03.01       | Unrented State-Owned Property                           |
| 03.02       | Rented State-Owned Property                             |
| 04.00       | Health and Safety Requirements                          |
| 05.00       | Exterior and Interior Appearance of Improved Properties |
| 06.00       | Field Inspections                                       |
| 07.00       | Rodent and Pest Control                                 |
| 08.00       | Smoke Detection Devices                                 |
| 08.01       | Installation and Type of Detector                       |
| 08.02       | Battery-Operated Smoke Devices                          |
| 09.00       | Rehabilitation of Residential Property                  |
| 09.01       | Inspections   |
| 09.02       | Specifications and Estimates                            |
| 09.03       | Contracts Under \$117,000                               |
| 09.04       | Contracts Over \$117,000                                |
| 09.05       | Occupied Housing  |

| 11.10.00.00 | PROPERTY MAINTENANCE AND REHABILITATION (Continued)      |
|-------------|--|
| 10.00       | Rehabilitation and Maintenance on Historic Structures    |
| 11.00       | Maintenance Performed by Service Contract                |
| 11.01       | Inspections  |
| 11.02       | Requesting Work  |
| 11.03       | Blanket Service Contracts and Single Service Contracts   |
| 11.04       | Cal-Card Small Purchase Program                          |
| 11.05       | Non-Credit-Card Process                                  |
| 11.06       | Submitting for Payment                                   |
| 11.07       | Steps in Various Contract Processes                      |
| 12.00       | Draft Purchase Order (DPO)                               |
| 13.00       | Cash Expenditure Voucher (CEV)                           |
| 14.00       | Petty Cash   |
| 15.00       | Emergency Repairs  |
| 16.00       | Rental Offsets   |
| 16.01       | New Residential Tenants                                  |
| 16.02       | Existing Residential Tenants                             |
|             | Č  |
| 11.11.00.00 | INSURANCE REQUIREMENTS FOR TENANTS                       |
| 01.00       | Policy   |
| 02.00       | When Insurance Is Required                               |
| 03.00       | Family Day Care Facilities                               |
| 04.00       | How the State Is Protected                               |
| 05.00       | Fire Insurance on State-Owned Properties                 |
| 06.00       | Self-Insurance by Tenant or Lessee                       |
| 07.00       | Certificate of Insurance                                 |
| 08.00       | Fire and Explosion in State-Owned Buildings              |
| 11 12 00 00 | LEACING CHATE OWNER PROPERTY                             |
| 11.12.00.00 | LEASING STATE-OWNED PROPERTY                             |
| 01.00       | General  |
| 02.00       | State Lease Forms  |
| 03.00       | Lease Rates  |
| 04.00       | Lease Preparation  |
| 05.00       | Lease Approval by Lessee                                 |
| 06.00       | Lease Approval by State                                  |
| 07.00       | Lease Renewals   |
| 08.00       | Assignment of Lease                                      |
| 09.00       | Public Notice to Bidders                                 |
| 10.00       | Construction of Improvements by Lessee                   |
| 11.00       | Leasing Excess Land                                      |
| 12.00       | Leasing to Highway Contractor                            |
| 13.00       | Interim Leasing to a City or County Under S&H Code 104.7 |
| 13.01       | Priority of Use  |
| 13.02       | Lease Terms  |
| 13.03       | Subleasing   |
| 13.04       | Lease Form   |
| 14.00       | Lease Recordation  |
| 15.00       | Lease Cancellation                                       |
| 15.01       | Mutual Consent   |
| 15.02       | Lessee's Failure to Pay Rent                             |
| 15.03       | Based on Right of Termination                            |
| 16.00       | Materials Agreement for Removal of Materials             |
| 17.00       | Available Office Space                                   |

| 11.13.00.00 | MASTER TENANCIES                                     |
|-------------|--|
| 01.00       | General  |
| 02.00       | Lease Form   |
| 03.00       | The Master Tenant                                    |
| 04.00       | Factors to Consider                                  |
| 05.00       | Approval   |
| 06.00       | Documentation  |
| 07.00       | Minimum Acceptable Lease Rate                        |
| 08.00       | Advertising Availability of Master Tenancy           |
| 09.00       | Bid Proposal Package                                 |
| 10.00       | Lease Clauses  |
| 11.00       | Bid Opening and Award                                |
| 12.00       | Commencement of Standard Lease Procedures            |
| 13.00       | Posting of Public Notice                             |
| 11.14.00.00 | OUTDOOR ADVERTISING SIGNS                            |
| 01.00       | General  |
| 02.00       | Prohibition Against New Signs                        |
| 03.00       | Sign Site Rental Procedures and Rates                |
| 04.00       | Billboard Site Rental Schedules                      |
| 05.00       | Advertising Structure Agreement                      |
| 06.00       | Sign Rent Delinquencies                              |
| 00.00       | Sign Rent Demiquencies                               |
| 11.15.00.00 | STATE AS LESSEE LEASES                               |
| 01.00       | General  |
| 02.00       | Procedures Upon Receiving Request                    |
| 03.00       | Procedural Guidelines                                |
| 03.01       | Americans with Disabilities                          |
| 03.02       | State Fire Marshal Approval of Plans and Inspections |
| 03.03       | Seismic Performance Requirements                     |
| 03.04       | Standards for State Space                            |
| 03.05       | Facility Plans and/or Drawings                       |
| 03.06       | Energy Conservation                                  |
| 03.07       | Hazardous Materials Certification                    |
| 04.00       | Lease Form   |
| 04.01       | Lease Execution                                      |
| 04.02       | Lease Extension                                      |
| 04.03       | Triple Net Leases                                    |
| 05.00       | Insurance  |
| 06.00       | Park and Ride Facility Leases                        |
| 07.00       | Documentation for File                               |
| 08.00       | Employee Time Charging                               |
| 11.16.00.00 | TRANSFERRING PROPERTIES TO CLEARANCE STATUS          |
| 01.00       | Scheduling Rental Termination                        |
| 02.00       | Transferring Properties to Clearance Status          |
| 03.00       | Property Manager Review                              |
| 04.00       | Advanced Transfers to Clearance Status               |
| 05.00       | Direct Sale Pursuant to S&H Code Section 118.1       |
|             |  |

| 11.17.00.00 | HAZARDOUS WASTE AND HAZARDOUS MATERIALS                                |
|-------------|--|
| 01.00       | Policy   |
| 02.00       | Definition   |
| 03.00       | General  |
| 04.00       | Inventory  |
| 05.00       | Underground Tanks  |
| 06.00       | Tank Removal Procedures  |
| 07.00       | Potential Surface Contamination  |
| 08.00       | Lease Clause for Nonresidential Properties and Information for Tenants |
| 11.18.00.00 | CALTRANS-OWNED EMPLOYEE HOUSING  |
| 01.00       | Definition   |
| 02.00       | Policy   |
| 03.00       | Responsibilities   |
| 04.00       | Rental Rates   |
| 05.00       | Utilities  |
| 06.00       | Employee Housing Rental Agreement                                      |
| 07.00       | Payment of Rent  |
| 08.00       | Possessory Interest Tax  |
| 09.00       | Maintenance and Repairs  |
| 10.00       | Carpeting for Employee Housing   |
| 11.00       | Surplus Property   |